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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM X-17A-5

SEC FILE NUMBER  
8-53649

PART III

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING January 1, 2015 AND ENDING December 31, 2015  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MVP American Securities

OFFICIAL USE ONLY  
118286  
FIRM ID. NO.

OFFICIAL USE ONLY ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

8880 W Sunset Rd Suite 232

(No. and Street)

Las Vegas  
(City)

Nevada  
(State)

89148  
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Michael Harman

(702) 735-5030

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Wilson Markle Stuckey Hardesty & Bott, LLP

(Name - if individual, state last, first, middle name)

101 Larkspur Landing Circle, Suite 200

Larkspur, CA

94939

(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions

SECURITIES AND EXCHANGE COMMISSION

RECEIVED

FEB 26 2016

DIVISION OF TRADING & MARKETS

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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## OATH OR AFFIRMATION

I, Michael Shustek, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MVP American Securities, as of December 31, 2015, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

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Signature

Managing Member

## Notary Public

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Members' Equity.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) Assertions of Exemption of a Non-Carrying Broker or Dealer required by Rule 17a-5(d)(4) of the Securities and Exchange Commission
- (o) Report on Assertions of Exemption of a Non-Carrying Broker or Dealer required By Rule 17a-5(d)(4) of the Securities and Exchange Commission

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**MVP American Securities**  
**Financial Statements**  
**and Supplemental Information Required by Rule 17a-5 under the**  
**Securities Act of 1934**  
**For the year ended December 31, 2015**  
**with**  
**Reports of Independent Registered Public Accounting Firm**

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**WILSON  
MARKLE  
STUCKEY  
HARDESTY  
& BOTT LLP**

CERTIFIED PUBLIC  
ACCOUNTANTS

DONALD WILSON  
ALAN MARKLE  
CHARLES STUCKEY  
DAVID HARDESTY  
DAVID BOTT  
DAVID BAILEY  
MICHAEL SMITH  
SHIRLEY CHEN-BLUM

Report of Independent Registered Public Accounting Firm

To the Member of MVP American Securities,

We have audited the accompanying statement of financial condition of MVP American Securities (the Company) as of December 31, 2015, and the related statements of operations, changes in member's equity and cash flows for the year then ended. The financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

The Supplemental Information Required by Rule 17a-5 under the Securities Exchange Act of 1934, as listed in the table of contents (supplemental information), has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the management of the Company. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 CFR §240.17a-5. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Wilson Markle Stuckey Hardesty & Bott*  
Wilson Markle Stuckey Hardesty & Bott, LLP  
Larkspur, CA  
January 31, 2016

-1-

MVP AMERICAN SECURITIES  
STATEMENT OF FINANCIAL CONDITION  
AS OF DECEMBER 31, 2015

ASSETS

Current assets	
Cash	\$ 63,924
Prepaid expenses	<u>25,421</u>
Total current assets	89,345
Furniture and equipment, net	<u>472</u>
Total assets	<u>\$ 89,817</u>

LIABILITIES AND MEMBER'S EQUITY

Current liabilities	
Accounts payable	\$ 104
Accrued liabilities	<u>8,644</u>
Total current liabilities	8,748
Commitments and contingencies	
Member's equity	<u>81,069</u>
Total liabilities and member's equity	<u>\$ 89,817</u>

See accompanying notes.

MVP AMERICAN SECURITIES  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2015

Revenues	
Commissions and fees	\$ 3,170
Expenses	
Commissions	16,975
Employee compensation	86,542
Payroll taxes	7,943
Employee benefits	11,570
Rent	68,660
Insurance	13,703
Advertising	250
Professional fees	5,038
Regulatory and filing fees	32,330
Depreciation	1,259
Other expenses	14,213
	<hr/>
Total expenses	258,483
	<hr/>
Net loss	<u><u>\$ (255,313)</u></u>

See accompanying notes.

MVP AMERICAN SECURITIES  
STATEMENT OF CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2015

Balance at January 1, 2015	\$ 73,382
Contributions from member	263,000
Net loss	<u>(255,313)</u>
Balance at December 31, 2015	<u><u>\$ 81,069</u></u>

See accompanying notes.

MVP AMERICAN SECURITIES  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015

Cashflows from operating activities	
Net loss	\$ (255,313)
Adjustments to reconcile net loss to net cash used by operating activities	
Depreciation	1,259
Change in operating assets and liabilities:	
Change in prepaid expenses	1,347
Change in accounts payable	(3,705)
Change in due to related party	(8,524)
Change in accrued liabilities	<u>(4,590)</u>
Net cash used by operating activities	(269,526)
Cash flows from financing activities	
Contributions from member	<u>263,000</u>
Net cash provided by financing activities	<u>263,000</u>
Net decrease in cash	(6,526)
Cash, beginning of year	<u>70,450</u>
Cash, end of year	<u><u>\$ 63,924</u></u>

See accompanying notes.

**MVP American Securities**  
**Notes to Financial Statements**  
**December 31, 2015**

**Note A – Organization**

**General**

Ashton Garnett Securities, LLC dba MVP American Securities (the Company) is a limited liability company formed in March 2009 under the laws of the State of Washington. The Company is registered as a broker-dealer with the Securities Exchange Commission and is a member of the Financial Industry Regulatory Authority.

The Company is wholly owned by MS MVP Holdings.

During the year ended December 31, 2015, the Company operated from Las Vegas.

The Company earns commission revenues primarily from the sale of REIT and insurance products.

The Company does not carry or clear customer accounts. Accordingly, the Company claims exemption from Securities Exchange Commission Rule 15c3-3 because it does not carry customer funds or handle customer securities.

**Fiscal year**

The Company changed from a fiscal year ending March to a calendar year effective with the year ended December 31, 2013.

**Note B – Summary of Significant Accounting Policies**

**Basis of presentation**

The Company maintains its books and prepares its financial statements on the accrual basis of accounting. Revenues, related expenses and commissions receivable and payable are recorded on a trade date basis. Investment advisory fees are recognized over the term of the contract. Consulting fees are recognized as the services are performed. Expenses are recorded when the obligation is incurred.

**Cash**

Cash and cash equivalents include interest bearing and non-interest bearing bank deposits, money market accounts, and short-term instruments with a liquidation provision of three months or less. Receivables from brokers and dealers represent cash deposits held by the Company's clearing firm and are treated as cash equivalents in the Company's balance sheet and statement of cash flows (none at December 31, 2015).

**Revenue recognition**

Revenues from advisory services, commissions, placement, and underwriting fees are recorded when earned. Earned but unpaid revenue is accounted for as accounts receivable or accrued revenue until such time cash payments are received.

**MVP American Securities**  
Notes to Financial Statements  
December 31, 2015

**Note B – Summary of Significant Accounting Policies (continued)**

**Allowance for uncollectible accounts receivable**

The Company uses the allowance method to account for uncollectible accounts receivable. Under this method, the Company reviews all receivables for any problems with collection. If the Company feels that there may be a problem with collections, an allowance is provided for the receivable. When attempts to collect a specific receivable are unsuccessful, the amount is considered uncollectible and is written off against the allowance. At December 31, 2015 the Company had no accounts receivable and, accordingly, determined that an allowance for doubtful accounts was not necessary.

**Income taxes**

The Company has elected to be taxed as a limited liability company in a manner similar to the taxation of a partnership. The Company is not subject to federal or state taxes on income. Instead, the member includes its respective share of the Company's taxable income or loss in its income tax returns.

The Company follows accounting principles generally accepted in the United States related to the accounting for uncertainty in income taxes. Adoption of the provisions did not have a material impact on the Company's liability for unrecognized tax benefits. Management believes that the Company has adequately addressed all tax positions and that there are no unrecorded tax liabilities. Tax years 2012 to 2015 are open for examination by the Internal Revenue Service.

**Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company is subject to uncertainty of future events, economic, environmental and political factors, and changes in the Company's business environment; therefore, actual results could differ from these estimates. Accordingly, accounting estimates used in the preparation of the Company's financial statements will change as new events occur, more experience is acquired, as additional information is obtained, and as the Company's operating environment changes. Changes are made in estimates as circumstances warrant. Such changes in estimates and refinement of estimation methodologies are reflected in the statements.

**Property and equipment**

Property and equipment are stated at cost. Depreciation and amortization are computed using the straight-line method over the following estimated useful lives:

	<u>Useful Lives</u>
Automobiles	5 years
Computers and electronics	5 years
Furniture and equipment	7 years
Leasehold improvements	7 years
Signage	7 years

Normal repairs, maintenance, and minor replacements, which do not improve or extend the lives of the respective assets, are charged to expense as incurred. Upon retirement or sale, the cost of assets disposed of and the related accumulated depreciation are removed from the property and equipment in the year of disposition, and the resulting gain or loss is included in operations.

**MVP American Securities**  
Notes to Financial Statements  
December 31, 2015

**Note B – Summary of Significant Accounting Policies (continued)**

**Advertising costs**

Costs incurred for producing and communicating advertising are expensed when incurred.

**Estimated fair value of financial instruments**

Management estimates that the aggregate net fair value of financial instruments recognized on the statements of financial condition (including receivables, payables and accrued expenses) approximates their carrying value, as such financial instruments are short-term in nature, bear interest at current market rates or are subject to repricing.

**Recent accounting pronouncements**

There have been no recent accounting pronouncements or changes in accounting pronouncements that impacted the year ended December 31, 2015, or which are expected to impact future periods.

**Note C – Transactions with affiliates**

The Company shares office space and receives certain office and administrative services provided by its member or affiliates of its member. For the year ended December 31, 2015, the Company reimbursed its member and any affiliates for all significant shared costs.

**Note D – Prepaid expenses**

As of December 31, 2015, the Company had prepaid expenses of \$25,421, of which the majority was 2016 FINRA fees. This balance will be expensed over the next year.

**Note E – Property and equipment**

Property and equipment at December 31, 2015 consist of the following:

Equipment and computers	\$	8,290
Less: Accumulated depreciation		<u>(7,818)</u>
	\$	<u>472</u>

**Note F – Commitments**

The Company leases office space under operating lease arrangements, none of which extend beyond one year from December 31, 2015. Rent expense for the year ended December 31, 2015 was \$68,660, of which \$2,250 was paid to an affiliate.

**MVP American Securities**  
Notes to Financial Statements  
December 31, 2015

**Note G – Net capital requirement**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of a minimum net capital, as defined, and a ratio of aggregate indebtedness to net capital not exceeding 15 to 1. At December 31, 2015 the Company had a net capital of \$55,176, which exceeded its required net capital by \$50,176, and the ratio of aggregate indebtedness to net capital was 0.16 to 1.

**Note H — Employee Benefit Plan**

The Company maintains a 401(k) Plan (the "Plan"), which is a defined contribution plan covering all eligible employees. Under the provisions of the Plan, participants may direct the Company to defer a portion of their compensation to the Plan, subject to Internal Revenue Code limitations. The Company provides for an employer matching contribution equal to 100% of the first 3% of eligible compensation and 50% of the next 2% of eligible compensation contributed by each employee, which is funded in cash. All contributions vest immediately.

Total expense recorded for the matching 401(k) contribution in the year ended December 31, 2015 was approximately \$1,209. The Plan started in 2015 so there is no similar expense in 2014.

**Note I – Subsequent events**

Management evaluated subsequent events through the date of this filing and determined that no such events have occurred that would require adjustment to or disclosure in the financial statements.

**Supplement Information  
Pursuant to Rule 17a-5 of the  
Securities Exchange Act of 1934**

**MVP American Securities**  
**Computation of Net Capital Under Rule 15c3-1**  
**of the Securities and Exchange Commission**  
**December 31, 2015**

Net Capital		
Total member's equity	\$	81,069
Subordinated liabilities		—
Non allowable assets		<u>(25,893)</u>
Net Capital	\$	<u>55,176</u>
Total Aggregate Indebtedness	\$	<u>8,748</u>
Computation of Basic Net Capital Requirement		
Minimum net capital required (6-2/3% of total aggregate indebtedness)	\$	<u>583</u>
Minimum dollar net capital requirement of reporting broker	\$	<u>5,000</u>
Net capital requirement	\$	<u>5,000</u>
Excess net capital	\$	<u>50,176</u>
Excess net capital at 1000% (Net capital less the greater of 10% of aggregate indebtedness or 120% of required net capital)	\$	<u>49,176</u>
Ratio of aggregate indebtedness to net capital		.016 to 1

**MVP American Securities**  
**Reconciliation Pursuant to Rule 17a-5(d)(2)(iii)**  
**December 31, 2015**

Reconciliation with Company's Computation  
(Included in Part IIA of Form X-17A-5 as of December 31, 2015)

There is no material difference between this net capital computation and the corresponding computation included in the Company's unaudited Part IIA FOCUS Report filing.

**MVP American Securities**  
Computation for Determination of Reserve Requirements  
Under Rule 15c-3 of the Securities and Exchange Commission  
December 31, 2015

The Company is exempt from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(i) of Rule 15c3-3.

**MVP American Securities**  
Information Relating to Possession or Control Requirements  
Under Rule 15c3-3 of the Securities and Exchange Commission  
December 31, 2015

A supplementary report pursuant to Rule 17s-5(d)(4) and the information relating to possession or control requirement under Rule 15c3-3 are not required under Rule 17a-5(e)(1)(i)(A) and Rule 15c3-3(k), respectively.

Assertions of Exemption of a Non-Carrying Broker or Dealer required by  
Rule 17a-5(d)(4) of the Securities and Exchange Commission

January 13, 2016

Wilson Markle Stuckey Hardesty & Bott, LLP  
101 Larkspur Landing Circle  
Suite 200  
Larkspur, CA 94939

MVP American Securities (the Company) is a limited broker-dealer, offering investment banking services. The Company does not directly handle customer funds or securities or any other duties associated with a clearing broker or dealer. The Company is registered with the U.S. Securities and Exchange Commission (SEC) in the event a transaction with a public entity requires a broker-dealer to hold credentials with the SEC.

In accordance with Rule 17a-5 of §240 of the Securities and Exchange Act of 1934, the Company performs an annual audit and files "Report pursuant to rule 17a-5 under the securities exchange act of 1934" with the SEC. On that report the Company claims exemption to Rule 15c3-3 based on exemption k (2) (i), which is noted below.

(k) *Exemptions.*

(2) The provisions of this section shall not be applicable to a broker or dealer:

(i) Who, carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with his activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and his customers through one or more bank accounts each to be designated as "Special Account for the Exclusive Benefit of Customers of MVP American Securities".

The nature of the business of the Company qualifies the firm for this exemption. Further, management has evaluated transactions executed for the year and has verified that no customer funds have been received or distributed for securities transactions or for customer accounts and the Company does not maintain customer accounts. Therefore, the Company has met the identified exemption provisions throughout the recent fiscal year end without exception.

Sincerely,



Michael Shustek  
Managing Member

**WILSON  
MARKLE  
STUCKEY  
HARDESTY  
& BOTT LLP**

CERTIFIED PUBLIC  
ACCOUNTANTS

DONALD WILSON  
ALAN MARKLE  
CHARLES STUCKEY  
DAVID HARDESTY  
DAVID BOTT  
DAVID BAILEY  
MICHAEL SMITH  
SHIRLEY CHEN-BLUM

**Report on Assertions of Exemption of a Non-Carrying Broker or Dealer  
Required by Rule 17a-5(d)(4) of the Securities and Exchange  
Commission**

Report of Independent Registered Public Accounting Firm

To the Member of MVP American Securities,

We have reviewed management's statements, included in the accompanying Assertions of Exemption of a Non-Carrying Broker or Dealer Required by Rule 17a-5(d)(4) of the Securities and Exchange Commission (Report), in which MVP American Securities (the Company) identified the following provisions of 17 CFR §15c3-3(k) under which it claimed an exemption from 17 CFR §240.15c3-3: (2)(i) (exemption provisions) and the Company stated that it met the identified exemption provisions throughout the most recent fiscal year without exception. The management of the Company is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about the compliance by the Company with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the statements of management. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Wilson Markle Stuckey Hardesty & Bott*  
Wilson Markle Stuckey Hardesty & Bott, LLP  
Larkspur, CA  
January 31, 2016

**WILSON  
MARKLE  
STUCKEY  
HARDESTY  
& BOTT LLP**

CERTIFIED PUBLIC  
ACCOUNTANTS

DONALD WILSON  
ALAN MARKLE  
CHARLES STUCKEY  
DAVID HARDESTY  
DAVID BOTT  
DAVID BAILEY  
MICHAEL SMITH  
SHIRLEY CHEN-BLUM

Mr. Michael Shustek, Managing Member  
MVP American Securities

In connection with our audit of the financial statements and supplemental information of MVP American Securities for the year ended December 31, 2015, we have issued our report thereon dated January 18, 2016. Professional standards require that we provide you with the following information related to our audit.

Significant and Critical Accounting Policies and Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The Company's significant accounting policies are disclosed in the notes to the financial statements as required by generally accepted accounting principles pursuant to Rule 17a-5 under the Securities and Exchange Act of 1934. No new accounting policies were adopted and the application of existing accounting policies was not changed during year. We noted no transactions entered into by the Company during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.

Critical accounting policies and practices are those that are both most important to the portrayal of the Company's financial condition and results and require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The critical accounting policies used by the Company in its 2015 financial statements are described in Note B to the financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Critical accounting estimates are estimates for which (1) the nature of the estimate is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change and (2) the impact of the estimate on financial condition or operating performance is material. The Company had no critical accounting estimates affecting the financial statements.

Significant Unusual Transactions

For purposes of this letter, professional standards define *significant unusual transactions* as transactions that are outside the normal course of business for the Company or that otherwise appear to be unusual due to their timing, size or nature. We noted no significant unusual transactions during our audit.

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LARKSPUR LANDING CIR  
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### Related-party Relationships and Transactions

As part of our audit, we evaluated the Company's identification of, accounting for, and disclosure of the Company's relationships and transactions with related parties as required by professional standards. We noted no related parties or related-party relationships or transactions that were previously undisclosed to us; significant related-party transactions that have not been approved in accordance with the Company's policies or procedures or for which exceptions to the Company's policies or procedures were granted; or significant related-party transactions that appeared to lack a business purpose.

### Quality of the Company's Financial Reporting

Management is responsible not only for the appropriateness of the accounting policies and practices, but also for the quality of such policies and practices. Our responsibility under professional standards is to evaluate the qualitative aspects of the company's accounting practices, including potential bias in management's judgments about the amounts and disclosures in the financial statements, and to communicate the results of our evaluation and our conclusions to you. We believe the quality of accounting policies and practices is sufficient to present financial statements and disclosures in conformity with accounting principles generally accepted in the United States.

### Uncorrected and Corrected Misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial, and to communicate accumulated misstatements to management. We have no uncorrected or corrected misstatements to bring to your attention.

### Exceptions to Exemption Provisions

In connection with our review of the Company's Assertions of Exemption of a Non-Carrying Broker or Dealer required by Rule 17a-5(d)(4) of the Securities and Exchange Commission, we did not identify any exceptions to the exemption provisions that would cause the Company's assertions not to be fairly stated, in all material respects.

### Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no disagreements with management arose during the course of our audit.

### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### Supplemental Information

Based on the regulatory requirements of SEC Rule 17a-5, the Company presents supplemental information that accompanies the financial statements. We subjected that supplemental information to audit procedures in accordance with *PCAOB Auditing Standard No. 17, Auditing Supplemental Information Accompanying Audited Financial Statements*. Based on our audit procedures performed, the supplemental information is

fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Material weaknesses

In planning and performing our audit of the financial statements of the Company as of and for the year ended December 31, 2015, we considered the Company's internal control in order to determine auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. We did not identify any control deficiencies that we believe to be material weaknesses.

This information is intended solely for the use of the Company's management and member and is not intended to be, and should not be, used by anyone other than these specified parties.

*Wilson Markie Stuckey Hardesty & Bott*  
Wilson Markie Stuckey Hardesty & Bott, LLP

Larkspur, CA

January 31, 2016